

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:932
ANSWERED ON:19.07.2002
LOANS THROUGH BANKS
NAWAL KISHORE RAI;RAMJI LAL SUMAN

Will the Minister of FINANCE be pleased to state:

- (a) whether the amount of loan being given by the public sector banks to sensitive areas i.e. more risk prone areas has been increased during the years 2000-2001 and 2001-2002;
- (b) if so, the details of amount of loan given by these banks in the above mentioned areas during the said period;
- (c) the percentage of loan given by these banks in these areas in comparison to the total loan distributed by them during the same period; and
- (d) the percentage of recovery of such loans given by public sector banks ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

(a) to (c):- According to Reserve Bank of India, exposure of Public Sector Banks (PSBs) to sensitive sectors includes exposure to Capital Market and Real Estate Sectors. The exposure of PSBs to capital market declined during 2000-2001 and 2001-2002, while exposure to Real Estate Sector increased during this period. Exposure of Public Sector Banks to sensitive sectors, percentage of loans to capital market and real estate sector to gross advances as at the end of March 2001 and March 2002 are given in the Annexure.

(d):- Public Sector Banks recovered Rs. 10,369 crores in the year ending March, 2000 and Rs. 13,629 crores in the year ending March, 2001 which includes recovery out of loans given to the sensitive sectors.